



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
October 31, 2021

Jackson College
Memo From Darrell Norris, Vice President of Finance
For the October 31, 2021 Financial Report

Following is the October 31, 2021 Treasurer's Report summarizing the components of the major revenue and expense lines. Explanations for variances greater than 2% are included in this memo.

Note: Budgeted amounts reflect the 2021-2022 Budget as adopted at the June 2021 Board of Trustees meeting.

Revenues

- **Tuition and fees** - Favorable to budget, 21/FL enrollment was higher than projected.
- **Housing** - Unfavorable to budget as occupancy was lower than expected due to continued social distancing considerations.
- **Contract training** - Favorable to budget, due to a conservative budget related to COVID-19 uncertainties.
- **Hospitality** - Unfavorable to budget, this is a new revenue stream for the College and we anticipate this to gain traction once on campus activity increases.
- **Miscellaneous** - Unfavorable to budget, it is too early in the fiscal year to tell if this trend will continue.
- **Transfers** - Favorable to budget, due to a conservative budget.

Expenses

- **Wages** - Favorable to budget, it is too early in the fiscal year to tell if this trend will continue.
- **Retirement** - Favorable to budget, it is too early in the fiscal year to tell if this trend will continue.
- **Services - Staffing Agency** - Favorable to budget, it is too early in the fiscal year to tell if this trend will continue.
- **Materials** - Unfavorable to budget due to timing of several IT software and licensing purchases that require larger upfront payments. We anticipate this variance to diminish over the fiscal year.
- **Other operating costs** - Favorable to budget due to timing of purchases. We anticipate this variance to diminish over time.
- **Capital Equipment** - Favorable to budget due to timing of purchases. We anticipate this variance to diminish over time.

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Other Notes

- **Cash and Investments** - The Board directed MILAF investment strategy was operationalized in June 2018. At October 31, 2021 interest revenues have exceeded \$418,000. These earnings are designated for future operations. In June 2021, the College made a \$4 million investment in U.S. Government bonds, which is separately presented on the cash and investment summary.
- **Looking Ahead** - Expense controls have been put in place in anticipation of reduced revenues resulting from COVID-19 pandemic.
- **Operating Reserves** - Board policy requires the College have combined operating fund balance reserves greater or equal to two months' operating expenses. At October 31, 2021, the operating fund balances reserves were \$18,923,183 which is approximately 5.4 months of projected FY 2022 operating expenses. At the beginning of the semester, the number of months of reserves on hand is generally higher as the College has recognized revenue for the whole semester and has not yet incurred the entire semester's expenses.

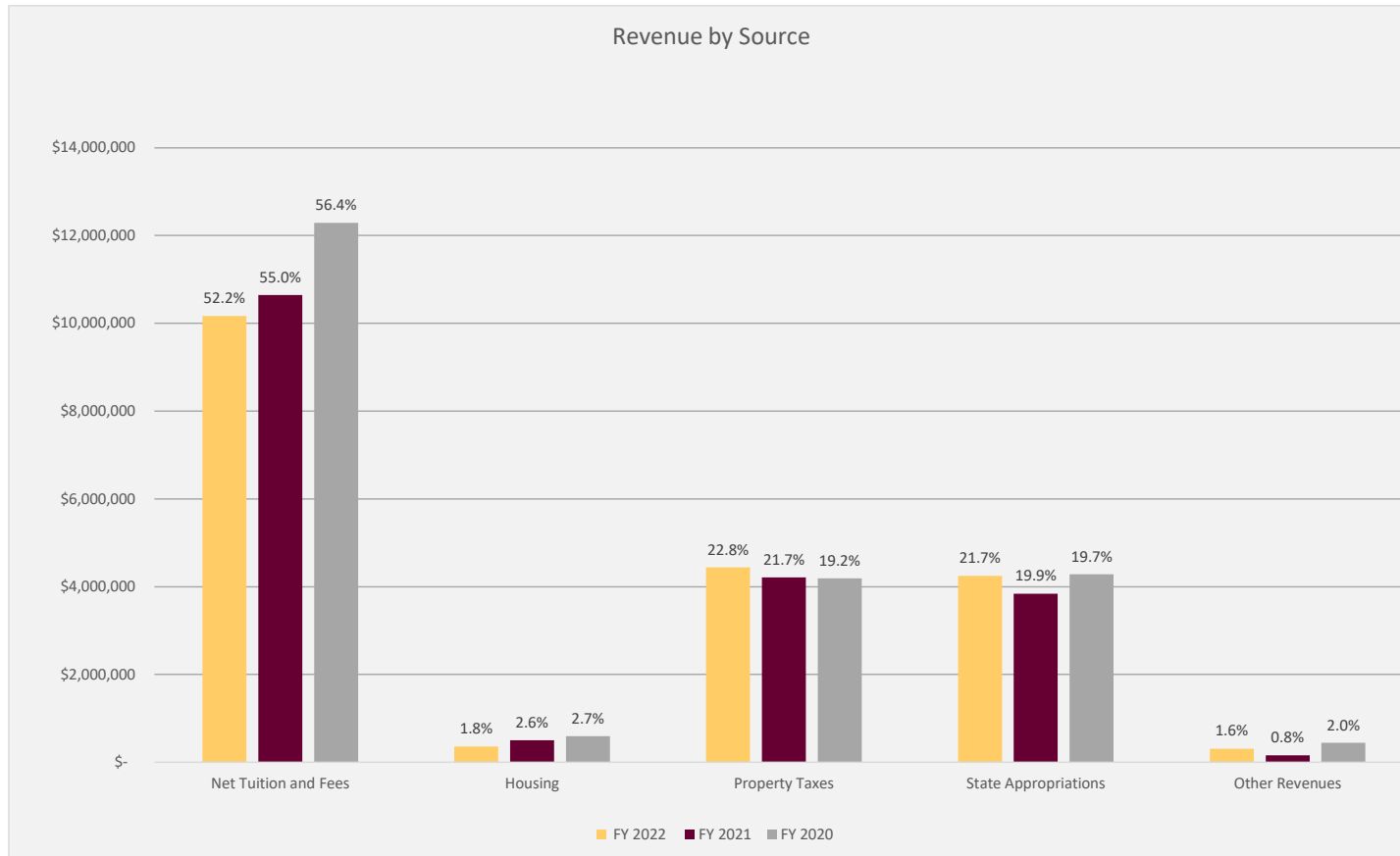
Jackson College
Revenue and Expense Statement
General Fund - FY 22
For the Four Months Ended October 31, 2021
Preliminary - Unaudited

	2021-2022 Original Budget	Percentage of Original Budget	Actual Year to Date	Actual Percentage of Budget	Planned Percentage to Date	Variance of Planned Percentage to Actual	Prior Year to Date
Revenue							
Gross tuition and fees	\$ 21,433,000	51.7%	\$ 10,456,205	48.8%	44.0%	\$ 1,025,685	\$ 11,287,289
Less Institutional Scholarships	(800,000)	-1.9%	(290,442)	36.3%	44.0%	61,558	(644,055)
Net tuition and fees	20,633,000	49.8%	10,165,763	49.3%	44.0%	1,087,243	10,643,234
Housing	1,400,000	3.4%	359,563	25.7%	50.0%	(340,437)	500,140
Property taxes	5,300,000	12.7%	4,441,063	83.8%	83.0%	42,063	4,208,802
State appropriations	12,735,720	30.7%	4,245,240	33.3%	33.3%	4,245	3,843,098
Contract training	4,000	0.0%	6,836	170.9%	33.3%	5,504	4,064
Potter Center activities	200,000	0.5%	35,316	17.7%	15.0%	5,316	-
Hospitality	750,000	1.8%	142,370	19.0%	33.3%	(107,380)	-
Miscellaneous	450,000	1.1%	113,310	25.2%	33.3%	(36,540)	144,743
Transfers	7,500	0.0%	11,622	155.0%	33.3%	9,124	10,953
Transfers - Federal grant funds	-	0.0%	-	0.0%	0.0%	-	-
Total revenues	41,480,220	100.0%	19,521,083	47.1%	34.9%	669,138	19,355,034
Expenses							
Wages	16,496,606	39.7%	5,317,639	32.2%	34.6%	(390,186)	5,228,686
Retirement	4,438,874	10.7%	1,430,539	32.2%	34.6%	(105,311)	1,432,511
Benefits	2,935,210	7.1%	1,014,672	34.6%	34.6%	(911)	972,666
Services - Staffing Agency	3,697,700	8.9%	1,163,778	31.5%	34.6%	(115,626)	1,022,400
Services	2,545,525	6.1%	861,268	33.8%	33.3%	13,608	617,335
Materials	1,994,765	4.8%	858,975	43.1%	33.3%	194,718	677,269
Rent, utilities, insurance	1,708,000	4.1%	543,256	31.8%	33.3%	(25,508)	576,617
Other operating costs	3,155,000	7.6%	815,358	25.8%	33.3%	(235,257)	746,956
Transfers	64,926	0.2%	21,642	33.3%	33.3%	22	373,758
Transfers-debt service	4,087,895	9.9%	1,362,632	33.3%	33.3%	1,363	1,386,938
Capital equipment	355,000	0.9%	49,546	14.0%	33.3%	(68,669)	10,669
Total expenses	41,479,501	100.0%	13,439,305	32.4%	33.8%	(731,757)	13,045,805
Income over (under) expenses	\$ 719		\$ 6,081,778			\$ 1,400,895	\$ 6,309,229

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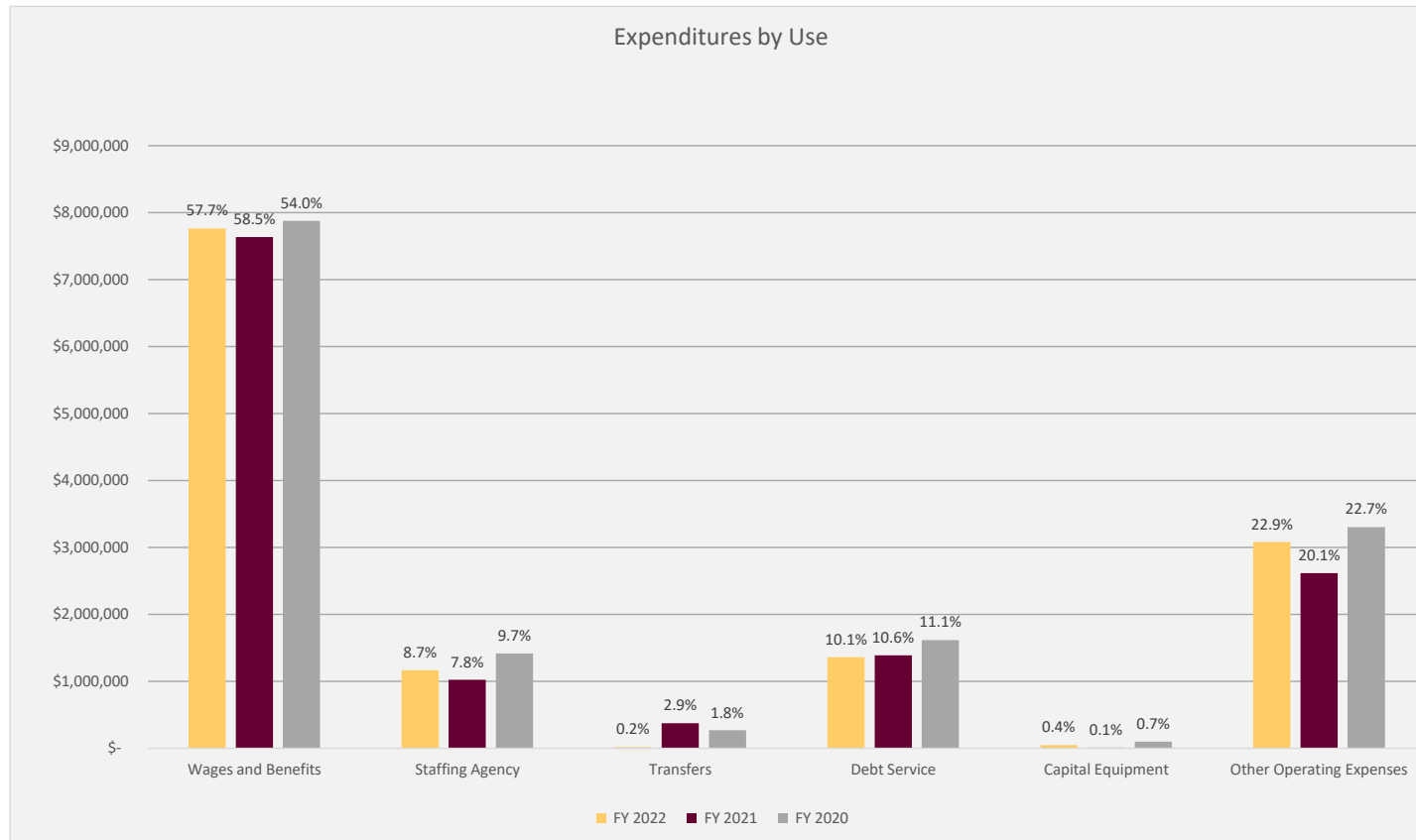
Jackson College
General Fund Revenue Comparison
For the Four Months Ended October 31, 2021

\$19,521,083



Jackson College
General Fund Expenditure Comparison
For the Four Months Ended October 31, 2021

\$13,439,305



Jackson College
Balance Sheet and Changes in Fund Balance - FY 22
October 31, 2021
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	CARES Fund	Bookstore Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets									
Cash	\$ 3,400,504	\$ 12,125,121	\$ (1,121,091)	\$ -	\$ (259,447)	\$ 14,170	\$ 10,129,347	\$ 526,249	\$ 24,814,853
Restricted cash in escrow	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	21,013	-	-	21,013
Accounts receivable	9,406,551	12,500	243,206	-	84,658	-	295	150	9,747,360
Inventories	28,112	-	-	-	239,511	-	-	-	267,623
Other assets	42,643	-	1,652	-	-	-	77,310,142	-	77,354,437
Total assets	<u>12,877,810</u>	<u>12,137,621</u>	<u>(876,233)</u>	<u>-</u>	<u>64,722</u>	<u>35,183</u>	<u>87,439,784</u>	<u>526,399</u>	<u>112,205,286</u>
Liabilities and Fund Balance									
Accounts payable	161,655	-	-	-	-	-	-	-	161,655
Accrued liabilities	2,751,075	-	-	-	-	-	34,866,120	-	37,617,195
Deferred liabilities	2,479,492	-	-	-	-	-	-	-	2,479,492
Unearned revenue	316,917	-	-	-	-	-	-	-	316,917
Other liabilities	383,109	-	-	-	-	-	-	-	383,109
Total liabilities	<u>6,092,248</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,866,120</u>	<u>-</u>	<u>40,958,368</u>
Fund balance	6,785,562	12,137,621	(876,233)	-	64,722	35,183	52,573,664	526,399	71,246,918
Total liabilities and fund balance	<u>\$ 12,877,810</u>	<u>\$ 12,137,621</u>	<u>\$ (876,233)</u>	<u>\$ -</u>	<u>\$ 64,722</u>	<u>\$ 35,183</u>	<u>\$ 87,439,784</u>	<u>\$ 526,399</u>	<u>\$ 112,205,286</u>
Beginning fund balance									
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,412,811	\$ -	\$ 45,412,811
Major Maintenance and Equipment Replacement	-	-	-	-	-	-	8,588,594	-	8,588,594
Restricted	-	178,467	361,625	-	-	35,147	-	-	575,239
Future Operations	703,784	11,938,888	-	-	-	-	-	519,586	13,162,258
	<u>\$ 703,784</u>	<u>\$ 12,117,355</u>	<u>\$ 361,625</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,147</u>	<u>\$ 54,001,405</u>	<u>\$ 519,586</u>	<u>\$ 67,738,902</u>
Current year income	19,521,083	30,266	10,607,816	-	88,277	36	1,784,739	23,828	32,056,045
Current year expenses	<u>13,439,305</u>	<u>10,000</u>	<u>11,845,674</u>	<u>-</u>	<u>23,555</u>	<u>-</u>	<u>3,212,480</u>	<u>17,015</u>	<u>28,548,029</u>
Ending fund balance	<u>\$ 6,785,562</u>	<u>\$ 12,137,621</u>	<u>\$ (876,233)</u>	<u>\$ -</u>	<u>\$ 64,722</u>	<u>\$ 35,183</u>	<u>\$ 52,573,664</u>	<u>\$ 526,399</u>	<u>\$ 71,246,918</u>

Jackson College
Balance Sheet
Building and Site Fund - FY 22
October 31, 2021
Preliminary - Unaudited

	Building and Site Fund
Assets	
Cash	\$ 6,291,702
Investments	-
Accounts receivable	295
Due from other funds	-
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Total assets	6,291,997
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Liabilities and Fund Balance	
Accounts payable	-
Other liabilities	-
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Total liabilities	-
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Fund balance	6,291,997
Total liabilities and fund balance	\$ 6,291,997
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Jackson College
Statement of Changes in Fund Balance
Building and Site Fund
For the Four Months Ended October 31, 2021
Preliminary - Unaudited

	Balance July 1, 2021	Revenue	Expenditures	Balance October 31, 2021
Major Maintenance and Equipment Replacement	\$ 8,588,594	\$ 421,937	\$ 2,718,534	\$ 6,291,997
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Total	\$ 8,588,594	\$ 421,937	\$ 2,718,534	\$ 6,291,997
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Jackson College
Revenue and Expense Statement
Auxilliary Services
For the Four Months Ended October 31, 2021
Preliminary - Unaudited

	Hospitality Services	Housing	JetStore Bookstore	Potter Center Performing Arts
Revenue				
Housing	-	359,563	-	-
Sales	-	-	88,277	-
Potter Center activities	-	-	-	35,316
Hospitality	142,370	-	-	-
Total revenues	<u>142,370</u>	<u>359,563</u>	<u>88,277</u>	<u>35,316</u>
Expenses				
Wages	135,151	53,945	17,294	80,564
Retirement	29,124	11,328	4,680	25,950
Benefits	34,844	11,359	556	18,345
Services - Staffing Agency	6,216	-	-	-
Services	8,174	3,266	200	2,776
Materials	112,910	723	505	223
Rent, utilities, insurance	90	-	-	-
Other operating costs	2,868	7,636	320	42,216
Transfers	-	-	-	-
Transfers-debt service	-	400,000	-	-
Capital equipment	-	2,195	-	-
Total expenses	<u>329,377</u>	<u>490,452</u>	<u>23,555</u>	<u>170,074</u>
Income over (under) expenses	<u><u>\$ (187,007)</u></u>	<u><u>\$ (130,889)</u></u>	<u><u>\$ 64,722</u></u>	<u><u>\$ (134,758)</u></u>

Jackson College
Cash and Investments by Fund - FY 22
October 31, 2021
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	CARES Fund	Grants Fund	Bookstore Fund	Endowment Fund	Building and Site	Physical Plant	Activities Fund	Total
Cash											
Petty Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,247	\$ 4,247
Cash-Comerica Bank Pooled	(1,708,651)	(262,134)	253,307	-	(2,423,701)	(256,072)	14,170	6,291,702	3,837,645	521,952	6,268,218
Cash-Comerica Federal Funds	-	-	813,874	-	1,848,089	-	-	-	-	-	2,661,963
VISA Account	180,702	-	-	-	-	964	-	-	-	50	181,716
Cash-United Bank	(29,379)	-	29,361	-	-	-	-	-	-	-	(18)
Cash-Federal Direct Loan	-	-	7,268	-	-	-	-	-	-	-	7,268
Cash-Comerica State Wire	2,469	-	-	-	-	-	-	-	-	-	2,469
Cash-Payroll	2,469,253	-	(2,382,778)	-	(89,927)	(4,339)	-	-	-	-	(7,791)
County National Bank	479,504	-	37,723	-	-	-	-	-	-	-	517,227
Ref Pay	6,097	-	-	-	-	-	-	-	-	-	6,097
Cultural Affairs Checking	509	-	-	-	-	-	-	-	-	-	509
MNJTP	-	-	-	-	785,693	-	-	-	-	-	785,693
U.S. Government Bonds	-	3,969,160	-	-	-	-	-	-	-	-	3,969,160
MILAF	2,000,000	8,418,095	-	-	-	-	-	-	-	-	10,418,095
	3,400,504	12,125,121	(1,241,245)	-	120,154	(259,447)	14,170	6,291,702	3,837,645	526,249	24,814,853
Investments											
Common Stock	-	-	-	-	-	-	21,013	-	-	-	21,013
Total cash and investments	<u>\$ 3,400,504</u>	<u>\$12,125,121</u>	<u>\$(1,241,245)</u>	<u>\$ -</u>	<u>\$ 120,154</u>	<u>\$ (259,447)</u>	<u>\$ 35,183</u>	<u>\$ 6,291,702</u>	<u>\$ 3,837,645</u>	<u>\$ 526,249</u>	<u>\$ 24,835,866</u>

Jackson College
Billing Contact Hours
October 31, 2021
Preliminary - Unaudited

	Budgeted FY 22	Actual FY 22	Actual Percentage	Actual FY 21	Prior Year Percentage
Semester:					
Fall	36,872	41,057	111.3%	41,477	99.0%
Winter	33,520	-	0.0%	37,384	0.0%
Spring	13,408	-	0.0%	17,373	0.0%
Total	83,800	41,057	49.0%	96,234	42.7%

